Contract & Vendor Management – RACI Model

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Commercially Sensitive

RACI = Responsible, Accountable, Consulted, Informed

It is simply a responsibility matrix that outlines the roles of individuals against various tasks or deliverables.

There can be one or more person *Responsible*, there can only be a single person *Accountable* and there are usually multiple *Consulted* and many *Informed*.

Responsible	Those responsible to do the work to achieve the outcome required
Accountable	Those who authorise the work and who are ultimately accountable for the correct completion of the work
Consulted	Those who are consulted about the work at various stages of its progress
Informed	Those who are kept informed about the work

CVM & Procurement – RACI Model

RACI area	Activity area	Responsible	Accountable	Consulted	Informed
Contract administration	Update contract database (Web3)	CM	VM	VMO	Procurement
Mandatory	Includes uploading contracts/ CCN/CAF/supporting docs/NDA				
	Communication of contract change	CM	Head of CM	Legal/Procurement	Ops Team
	Manage contract reporting	CM	Head of CM	VMO	ITLB
Contract management/Lifecycle	Own contract through life	CM/VM	Head of CM	Ops Team	Procurement
Mandatory	Contract Interpretation	CM	Head of CM		
	Ongoing management of supply	CM	VM	Procurement	Ops Team
	Approve simple contract variations	CM	Head of CM	Legal/Ops/VM	Contract Owner/Stakeholders
	Approve contract variations >20% in value or scope	CM/VM	Procurement	Legal/Ops	Contract Owner/Stakeholders
* As software contract management activity areas mentioned separately	Contract renewals (end of contract)*	Procurement	VM	CM	Contract Owner/Stakeholders
	Contract renewals (contractual option)*	CM	Head of CM	Legal/Procurement VM/Ops	Contract Owner/Stakeholders
	Contract terminations (expiry or move in house)	CM	Head of CM	Legal/Procurement VM	Stakeholders
	Contract terminations & re procurement	CM	Procurement	ITLB/VM	Stakeholders
	IT contracts roadmap - contract delivery/supplier capability	CM	Head of CM	Legal/Procurement SPO/VM	ITLB
	S/W contract renewals (non-material)	CM	VM	Procurement	Stakeholders
	S/W contract renewals with new contract T & C's	Procurement	Procurement	CM/Legal/VM	Stakeholders
New contract handover	Signed contract handover	Procurement	Procurement	CM	VM

CVM & Procurement – RACI Model cont'd

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RACI area	Activity area	Responsible	Accountable	Consulted	Informed
IT Vendor Strategy *Mandatory*	Lead on Vendor Strategies which include suppliers/vendors through analysis of existing supply base	VM	VM	CM/Legal/ Procurement	ITLB
Procurement Activities *Mandatory*	Lead on the development of Procurement Strategies for individual Procurement activities	Procurement	Head of Procurement	CM/Legal/VM	Ops Team
	Lead and manage the end to end sourcing process, lead the tender evaluation and engagement with Legal	Procurement	Head of Procurement	CM/Legal/VM	Ops Team
Software Activities *Mandatory*	Lead on Software Vendor Management – relationship, governance, budget	CM	VM	ITLB	Legal/Ops Team/Procurement
	Lead on Software Contract Management – negotiations, approvals	CM	VM	Procurement	Stakeholders
	IT software asset management (SAM)	CM/VMO	VM	Procurement	Stakeholders
	Lead on Audit & Compliance planned and unplanned	VM	VM	CM/Procurement	Legal
	New software procurement	Procurement	Head of Procurement	CM/VM	Stakeholders
	Software catalogue management	CM	VM	VMO	Procurement
	Additional purchases within existing contract scope	CM	VM	Procurement	Stakeholders
Supplier savings *Mandatory*	Lead the documenting, sign off and reporting of IT related cost reduction, savings or avoidance	CM	VM	Finance/Ops Team	Procurement
	Procurement lead cost reduction, savings or avoidance	Procurement	Head of Procurement	CM/Finance/VM	ITLB

CVM & Procurement – RACI Model cont'd

RACI area	Activity area	Responsible	Accountable	Consulted	Informed
Performance delivery	Manage operational delivery	Ops Team	Ops Dir	CM/VM	Procurement
Mandatory	Collate SLA/KPI outcomes	Ops Team	Ops Dir	CM/Legal/VM	
	Lead supplier performance reviews	Ops Team	Ops Dir	CM/VM	Procurement
Service quality	Check service quality	Ops Team	Ops Dir	CM/VM	Stakeholders
If relevant	Maintain specifications	Architects	CTO	Ops Team	CM/VM
	Approve alternate work methods	Ops Team	Ops Dir	CM/VM	Procurement/Stakeholders
Governance framework	Chair steering committee	VM	CM	Stakeholders	Governance & Reporting
If relevant					
IT Vendor Relationship Management	Participate in IT Vendor relationship management meetings	VM/CM	VM	Ops Tea,	Stakeholders
Mandatory	Execute Supplier Governance	CM	VM	Procurement	ITLB
Contract Review Template (CRT)	Write CRT	CM	Head of CM	VM/VMO	Ops Team/Procurement
If relevant	Review CRT	CM	Head of CM	Procurement/Ops Team/VM	Stakeholders
	Communicate CRT	CM	Head of CM	Procurement/Ops Team/VM	Stakeholders
Methodology, tools and templates	Develop procurement methodology	Procurement	Head of Procurement	CM/Legal/VM	Stakeholders
Optional	Produce standard tools and templates	Various	Various	Various	Various
	Approve use of IT templates	VMO	Head of CM	CM/VMO	Stakeholders
	Train and communicate IT templates	VMO	Head of CM	CM/VMO	Stakeholders
	Train and communicate Procurement templates	Procurement	Head of Procurement	CM/VM/VMO	Stakeholders
Exercise Audit Rights	To ensure any contractual Audit Rights are excercised	CM	Head of CM		Various

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Key Contacts

CM	IT Contract Management Team
CTO	Chief Technical Officer & Enterprise Architects
Head of CM	Head of IT Contract Management Team
Head of Procurement	Head of Procurement Team
ITLB	IT Leadership board
Legal	Head of IT Legal & Team
Ops/Ops Team	Head of Operations & Heads of Service
Procurement	IT Procurement Team
Stakeholders	Other key stakeholders involved
Vendor Managers (VM)	IT Vendor Management Team